Decline in the investment in basic drag industry

801. SHRINE. BALARAM SHRI GURUDAS DAS GUPTA *i* Will the Minister of PETROLEUM AND CHEMICALS be pleased to state

(a) whether it is a fact that investments in basic drugs manu facturing industry has slowed down, recently ; and

(b) if so, what are the details thereof and what action has been taken in this regard?

THE MINISTER OF PETRO-LEUM AND CHEMICALS (SHRI M.S. GURUPADASWAMY) *;* (a) No, Sir.

(b) Does not arise.

Losses to Eastern Coalfields Limited

802. SHRI GURUDAS DAS GUPTA : SHRI CHATURANAN MISHRA :

Will the Minister of ENERGY be pleased to state :

(a) whether it is a fact that the Eastern Coalfields Limited has failed to limit its losses to the estimated Rs. 60 crores and instead suffered a loss of Rs. 200 crores during the first nine months of 1989-90 ;

(b) if so, what are the details thereof and what are the reasons therefor ; and

(c) what is Government's re-action thereto?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN) : (a) and (b) The actual loss for the nine months period ending December 1989 is likely to be substantially higher than the loss of Rs. 88-5 crores for the same period as per budget estimates for 1989-90.

The main reasons for the higher loss are the failure to achieve the targeted production and the increase in costs on account of the imple-mentation of the National Coal Wage Agreement IV which was finalised during the year 1989-90.

(c) Steps have been taken to tone up the management and assist the company to over-come cons-traints.

Expenditure on marketing campaign for Drugs

803. SHRI GURUDAS DAS GUPTA: SHRI CHATURNAN MISHRA:

Will the Minister of PETRO-LEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that about 24 per cent of the drug prices are absorbed towards marketing campaign expenses well beyond the estimated 13 per cent spent on research and development ; and

(b) if so, whether Government have any plan to curb such expen-ses and bring the cost of durgs under control?

THE MINISTER OF PETRO LEUM AND CHEMICALS (SHRI M.S. GURUPADASWAMY) : (a) and (b) Under DPCO, 1987, for controlled drugs, there is a Maximum Allowable Post-Manu-facturing Expenses (MAPE) in-cluding trade margin which shall not exceed :

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(i) Seventy five percent in the case of formulations specified in Category-I of the Third Schedule ;